

Message Text

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ACTION EA-14

INFO OCT-01 EUR-25 ISO-00 OMB-01 CIAE-00 COME-00 EB-11

INR-11 LAB-06 NSAE-00 RSC-01 SIL-01 AID-20 DODE-00

PM-07 H-03 L-03 NSC-07 PA-04 PRS-01 SP-03 SS-20

USIA-15 IO-14 FAA-00 DOTE-00 CU-05 SWF-02 AGR-20

DRC-01 /196 W

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R 231117Z AUG 74

FM AMEMBASSY VIENTIANE

TO SECSTATE WASHDC 515

INFO AMEMBASSY BANGKOK

AMEMBASSY PARIS

AMEMBASSY SAIGON

CDR USSAG NKP

CINCPAC

C O N F I D E N T I A L SECTION 1 OF 2 VIENTIANE 6593

E.O. 11652: GDS

TAGS: PINT, ELAB, LA

SUBJECT: SURGE OF LABOR UNREST

1. THE FORMERLY TRANQUIL, NOT TO SAY SOMNOLENT, LABOR SCENE IN VIENTIANE SUDDENLY HAS BECOME ACTIVE DURING THE LAST FEW WEEKS. A NEW LABOR UNION HAS EMERGED AND JUST THIS WEEK THERE HAS BEEN A SUDDEN RASH OF STRIKES. IT IS A FAST-MOVING SCENE AND THIS IS A PRELIMINARY REPORT ON WHAT IS STILL A CONFUSED SITUATION. HOWEVER, GIVEN THE POLITICAL ATMOSPHERE AND THE VERY REAL ECONOMIC DIFFICULTIES FACING THE LAO PEOPLE, LABOR AGITATION AND STRIKES MAY BE EXPECTED TO BECOME AN IMPORTANT NEW ELEMENT ON THE SOCIAL/ POLITICAL SCENE.

2. LAO FEDERATION OF LABOR: A NEW LABOR ORGANIZATION, THE LAO FEDERATION OF LABOR (FEDERATION DU TRAVAIL) HAS EMERGED; DESPITE ITS GRANDIOSE NAME, THE FEDERATION IS SMALL IN NUMBERS. ITS
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HEADQUARTERS IS IN A BOOKSTAND BETWEEN THE POST OFFICE AND THE

MORNING MARKET AND IT IS HEADED BY MR. SISAVANG CHANTHEPHA, A LEFTWING "QUALIFIED NEUTRAL" MEMBER OF THE JOINT NATIONAL POLITICAL COUNCIL (JNPC). MR. SISAVANG IS A FORMER MEMBER OF THE YOUNG IDEAS PARTY AND HAS BEEN AN ACTIVE LEADER IN THE "TEN ORGANIZATIONS" GROUP, AN ORGANIZATION OF POLITICAL GROUPS AND INDIVIDUALS WHICH WAS FORMED TO SUPPORT THE IMPLEMENTATION OF THE VIENTIANE ACCORDS.

3. THE LAO FEDERATION OF LABOR (LFL) HAS MADE NO CLAIMS OF MEMBERSHIP EITHER OF INDIVIDUALS OR OF LABOR ORGANIZATIONS. THE APPLICABLE PROVISIONS OF LAW SPECIFY THAT A PROFESSIONAL ASSOCIATION MUST BE MADE UP ONLY OF PEOPLE EMPLOYED IN THE SAME LINE OF WORK. SINCE THE GOVERNING COMMITTEE OF THE LFL CONTAINS ONLY CIVIL SERVANTS, THE MINISTRY'S LABOR DIRECTORATE WAS REPORTED TO HAVE REFUSED TO DEAL WITH IT ON THESE GROUNDS. ON THE OTHER HAND, THE MINISTER OF INTERIOR TOLD THE AMBASSADOR THAT THE LFL HAD BEEN DULY REGISTERED AS AN ASSOCIATION WITH THE STIPULATION REQUIRED BY LAW THAT IT NOT INVOLVE ITSELF IN POLITICAL MATTERS.

4. AIR CONTINENTAL STRIKE: A STRIKE OF THE 35 LAO EMPLOYEES OF AIR CONTINENTAL WAS SETTLED AUGUST 20 AND IS THE SUBJECT OF A SEPTEL. THE EMPLOYEES INVOLVED WERE REPRESENTED IN THE NEGOTIATIONS BY THE LFL AND WERE OBVIOUSLY RESPONDING TO THE DIRECTIONS OF SISAVANG. THE LFL'S LACK OF LEGAL STATUS WAS A SLIGHT HINDERANCE TO GETTING THE NEGOTIATIONS GOING. A LABOR DIRECTORATE REPRESENTATIVE WAS PRESENT ON THE 19TH BUT, AS THE WORKERS COULD NOT PRODUCE THEIR NEGOTIATOR, NO NEGOTIATIONS TOOK PLACE. ON THE 20TH, THE LFL WAS REPRESENTED, BUT THE LABOR DIRECTORATE REPRESENTATIVE DID NOT COME, HIS DIRECTORATE HAVING REPORTEDLY DECIDED IT COULD NOT DEAL WITH THE LFL. AIR CONTINENTAL NEVERTHELESS WENT AHEAD WITH THE NEGOTIATIONS AND A SETTLEMENT WAS EASILY REACHED.

5. MUNICIPAL EMPLOYEES STRIKE: A STRIKE BY 350 LABORERS WORKING FOR THE VIENTIANE MUNICIPALITY ALSO ONLY LASTED TWO DAYS. ONCE AGAIN THE STRIKERS WERE REPRESENTED BY SISAVANG'S LFL, THE STRIKERS' DEMANDS INCLUDED APPARENTLY REASONABLE REQUESTS FOR IMPROVEMENTS IN THEIR REMUNERATION AND WORKING CONDITIONS. THEY ALSO INSISTED THAT MR. THONGSAVATH VONSAVANTHONG, MAYOR OF

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VIENTIANE, BE REMOVED. THONGSAVATH'S DEPARTURE HAD BEEN PREVIOUSLY ANNOUNCED, IN ANY CASE, AND BOUNKHONG PRADICHIT, MAYOR-DESIGNATE, TOOK OVER THE NEGOTIATIONS WHICH WERE QUICKLY BROUGHT TO A CONCLUSION. ACCORDING TO THE MINISTER OF INTERIOR, THE EMPLOYEES WERE GRANTED A SIZEABLE INCREASE, AND THE GOVERNMENT ONLY AGREED TO IT BECAUSE THE MUNICIPALITY HAS ITS OWN BUDGET, THEREBY -- AT LEAST THEORETICALLY -- SHIELDING THIS RAISE FROM BEING APPLICABLE TO ALL GOVERNMENT EMPLOYEES.

6. THE LAO WOOD INDUSTRY STRIKE: THE APPROXIMATELY 300 EMPLOYEES OF A PRIVATE COMPANY "LAO WOOD INDUSTRY" ALSO WENT ON STRIKE. THIS STRIKE, WHEN IT BEGAN, DID NOT APPEAR TO INVOLVE THE UBIQUITIOUS MR. SISAVANG AND HIS LFL. IT DID, HOWEVER, INVOLVE THE FEDERATION OF LAO STUDENTS. THE STRIKERS HAD ASKED SEVERAL MEMBERS OF THE FEDERATION TO REPRESENT THEM AT THEIR TALKS WITH THE LAO WOOD INDUSTRY MANAGEMENT, AS THEY DID DURING THE RECENT TAPS STRIKE AT THE U.S. EMBASSY (VIENTIANE 5881). THIS ACTION CAUSED THE SUSPENSION OF NEGOTIATIONS, AS THE MANAGEMENT REFUSED TO DEAL WITH THE STUDENTS AND THE STRIKERS THREATENED TO BURN DOWN THE FACTORY. THE STRIKERS' DEMANDS DEALT ONLY WITH SALARIES AND WORKING CONDITIONS, ALTHOUGH THEIR ASKING THAT THE NATIONAL FLAG BE FLOWN OVER THE PLANT MIGHT BE INTERPRETED AS POLITICAL. FINALLY, ON AUGUST 22, THE LFL SENT A DELEGATION -- WHICH MET WITH THE STRIKERS AND WITH MANAGEMENT REPRESENTATIVES. SOON AFTERWARDS, AN AGREEMENT WAS REACHED WHICH INCLUDED A 35 PERCENT WAGE INCREASE AND THE STRIKE ENDED.

7. THE GOVERNMENT OFFICIALS' ASSOCIATION: THE AUGUST 22 VIENTIANE POST REPORTS THAT SOME GOVERNMENT OFFICIALS, INSPIRED BY THE SUCCESS OF THE VIENTIANE MUNICIPAL WORKERS, ARE CONSIDERING A STRIKE FOR HIGHER WAGES. MR. SOMNUK KHATTHIGNAVONG, SECRETARY GENERAL OF THE ASSOCIATION OF GOVERNMENT OFFICIALS, A RELATIVELY UNIMPORTANT GROUP CENTERED IN THE MINISTRY OF EDUCATION, IS REPORTED IN THE POST ARTICLE AS SAYING THAT THIS ATTITUDE IS PARTICULARLY STRONG AMONG LOWER-RANKING CIVIL SERVANTS. AT THE CLOSE OF AN ASSOCIATION MEETING ON AUGUST 21, A DOCUMENT WAS

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ISSUED WHICH STATED THAT AN IMPROVEMENT IN THE COST OF LIVING DEPENDED ON THE "RE-ESTABLISHMENT OF PEACE AND NATIONAL CONCORD." THE DOCUMENT ADDED THAT IT WAS NECESSARY, THEREFORE, FOR ALL CITIZENS TO MAKE SACRIFICES AND TO SHOW PATIENCE WHILE SUPPORTING THE GOVERNMENT AND THE POLITICAL COUNCIL, SO AS TO ALLOW THEM TO ADMINISTER THE COUNTRY EFFICIENTLY AND SOLVE THE PROBLEM OF THE HIGH COST OF LIVING. THE ASSOCIATION, THEREFORE, DECIDED NOT TO TAKE ANY ACTION FOR THE PRESENT. IT REMAINS TO BE SEEN HOW THE LOWER RANKS, OR MORE IMPORTANTLY THEIR WIVES, REACT TO THIS DECISION, BUT FOR THE TIME BEING AT LEAST THOSE CIVIL SERVANTS IN SOMNUK'S ASSOCIATION DO NOT APPEAR READY TO JOIN THE PICKET LINES.

8. THE POLICE: THE TRAFFIC POLICE IN VIENTIANE, 250 STRONG WENT ON STRIKE TODAY, AUGUST 23. THEY ARE TO MEET WITH THE MINISTER OF INTERIOR THIS AFTERNOON. THEIR EXPRESSED DEMANDS DO NOT APPEAR TO INCLUDE A RAISE IN PAY, BUT THEY DO CALL FOR GREATER CONFIDENTIAL

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JUSTICE IN THE ADMINISTRATION OF THE POLICE FORCE, REGULAR PROMOTIONS FOR NON-COMMISSIONED POLICEMEN AND THE SACKING OF THE DIRECTOR GENERAL OF POLICE, CHANTHABOUN LUANKRATH. THE POLICE GROUP INVOLVED IS NOT PART OF THE MIXED POLICE.

9. PATHET LAO PUBLIC REACTION: THE ONLY PUBLIC REACTION WE HAVE SEEN THUS FAR FROM THE LAO COMMUNISTS, OTHER THAN DEPUTY PRIME MINISTER PHOUMI VONGVICHIT'S AUGUST 22 XAT LAO INTERVIEW IN WHICH HE OPPOSED WAGE INCREASES, IS THE AUGUST 21 PATHET LAO NEWS AGENCY PUBLICATION OF AN AUGUST 15 LETTER FROM THE LAO NATIONAL ASSOCIATION OF TEACHERS TO THE LFL, SUPPORTING THE DEMANDS OF THE WORKERS AT AIR CONTINENTAL AND THE VIENTIANE MUNICIPALITY. ACCORDING TO THE NEWS AGENCY (FBIS D-211104Z AUG 74), THE LETTER CALLED ON "WORKING PEOPLE, OFFICE EMPLOYEES, ARMY MEN AND POLICEMEN TO ENHANCE FURTHER THEIR UNITY AROUND THE NATIONAL POLITICAL COUNCIL OF COALITION, THE PROVISIONAL GOVERNMENT OF NATIONAL UNION AND THE CENTRAL JOINT COMMISSION FOR THE IMPLEMENTATION OF THE VIENTIANE AGREEMENT, AND TO DEMAND THAT THE PGNU QUICKLY ACCEPT AND IMPLEMENT THE 18-POINT PROGRAM." THE LETTER CONCLUDED THAT "THE ONLY WAY FOR THE WORKING PEOPLE TO

IMPROVE THEIR LIFE IS TO STRUGGLE FOR THE STRICT IMPLEMENTATION OF THE VIENTIANE AGREEMENT AND ITS PROTOCOL."

11. OFFICIAL REACTION: TWO MEMBERS OF THE GOVERNMENT, THE MINISTER OF INTERIOR AND THE SECRETARY OF STATE FOR FOREIGN AFFAIRS, TOLD THE AMBASSADOR IN SEPARATE CONVERSATIONS THAT AT ITS WEEKLY MEETING THE GOVERNMENT HAD DECIDED ON THE CREATION OF A GOVERNMENT-WIDE COMMISSION TO INVESTIGATE THE WHOLE QUESTION OF PRICES AND WAGES, BOTH IN THE GOVERNMENT AND IN THE PRIVATE SECTOR. THE GOVERNMENT HOPES THAT, BY SHOWING AN ACTIVE INTEREST IN THIS PROBLEM AND BY ENGAGING ITS EMPLOYEES IN DISCUSSION, IT CAN HEAD OFF MASSIVE DEMANDS FOR WAGE INCREASES, WHICH WOULD COMPLETELY UPSET THE NATIONAL BUDGET. RATHER NAIVELY, WE THOUGHT, THE MINISTERS HOPE THAT BY INDICATING THE SERIOUS FINANCIAL PROBLEMS CONFRONTING THE NATION, WORKERS AND EMPLOYEES COULD BE "EDUCATED" TO THE REALITIES OF THE SITUATION AND THUS MODERATE THEIR DEMANDS.

12. COMMENT: THE INITIATION, MOTIVATION AND DIRECTION OF THE SPATE OF STRIKES, A NEW PHENOMENON ON THE LAO SCENE, ARE AS YET NOT CLEAR. GIVEN THE SHARP RISE IN COST OF LIVING -- RICE HAS
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RISEN 72 PERCENT SINCE DECEMBER -- THERE ARE GENUINE ECONOMIC GRIEVANCES. THE DEMANDS OF THE WORKERS HAVE THUS FAR BEEN CLEARLY LEGITIMATE, AS IN EVERY CASE MANAGEMENT MET THE DEMANDS AND THE STRIKES WERE SETTLED PROMPTLY. AT THE SAME TIME, VIENTIANE SIDE LEADERSHIP SEEMS CONVINCED THAT THERE IS AN IMPORTANT POLITICAL ELEMENT INVOLVED. THE MINISTER OF INTERIOR PHENG PHONGSAVAN EMPHASIZED TO THE AMBASSADOR THE ROLE PLAYED BY THE FEDERATION OF STUDENTS, WHICH HE ALLEGED WAS DIRECTED FROM THE OUTSIDE, NOTABLY THAILAND. THE SECRETARY OF STATE FOR THE MINISTRY OF FOREIGN AFFAIRS, TIANETHONE CHANTHARASY, POINTED OUT THAT STRIKERS HAD EXPRESSED THEIR SUPPORT FOR THE 18-POINT POLITICAL PROGRAM. THIS PROGRAM IS THE MAJOR WORK OF PRINCE SOUPHANOUVONG, BUT HAS BEEN SOMEWHAT MODIFIED BY THE PROVISIONAL GOVERNMENT UNDER PRESSURE FROM THE VIENTIANE SIDE MINISTERS. HOWEVER, THIS WEEK SOUPHANOUVONG HAS INDICATED INSISTENCE ON MAINTAINING HIS PROGRAM AS APPROVED BY THE JOINT NATIONAL POLITICAL COUNCIL, AND THERE IS TO BE A MEETING BETWEEN REPRESENTATIVES OF THE COUNCIL AND OF THE GOVERNMENT TO TRY TO RESOLVE THE ISSUES. IT DOES, THEREFORE, SEEM THAT THE PATHET LAO HAVE USED THESE STRIKES TO DEVELOP POPULAR SUPPORT FOR THEIR POSITION ON THIS QUESTION. THE MINISTER OF FINANCE NGON SANANIKONE, HOWEVER, SAID IN A PRIVATE CONVERSATION HE DID NOT THINK THAT THE PATHET LAO WERE INVOLVED, AS THEY WERE IN THE GOVERNMENT AND WERE THEREFORE EMBARRASSED BY ANY SOCIAL PROTEST OR UNREST. AS REGARDS THE LEADER OF THE LFL, SISAVANG HAS A RECORD OF WORKING CLOSELY WITH PATHET LAO, BUT NGON AGAIN INDICATED THAT SISAVANG HAD FORMED THE UNION ONLY TO ENHANCE HIS PERSONAL POLITICAL POSITION. ALTOGETHER THEN,

WE ARE NOT YET PREPARED TO DRAW ANY FIRM CONCLUSIONS ON THE
IMPORT OF THESE STRIKES. NEVERTHELESS, LABOR HAS BECOME A NEW
FIELD OF ACTIVITY IN LAOS AND THE MISSION HAS MOVED TO ORGANIZE
A "LABOR COMMITTEE" AND WILL MONITOR DEVELOPMENTS IN THIS
AREA CLOSELY.
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Message Attributes

Automatic Decaptioning: X
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Concepts: WAGES, LABOR UNIONS, POLITICAL SITUATION, GENERAL STRIKES
Control Number: n/a
Copy: SINGLE
Draft Date: 23 AUG 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974VIENTI06593
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740233-0409
From: VIENTIANE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740821/aaaaarfs.tel
Line Count: 283
Locator: TEXT ON-LINE, ON MICROFILM
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Original Classification: CONFIDENTIAL
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